

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

(Mark One)

- ☒ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended **September 30, 2008**.
- ☐ Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____.

Commission file number: **000-29321**

MONTANA MINING CORP.
(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of
incorporation or organization)

87-0643635
(I.R.S. Employer
Identification No.)

1403 East 900 South, Salt Lake City, Utah 84105
(Address of principal executive offices) (Zip Code)

(801) 582-9609
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changes since last report)

Indicate by check mark whether the registrant: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes ☒ No ☐.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company as defined by Rule 12b-2 of the Exchange Act: Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes ☒ No ☐

At November 10, 2008, the number of shares outstanding of the registrant's common stock, \$0.001 par value (the only class of voting stock), was 7,146,318.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

As used herein, the terms “Company,” “we,” “our,” “us,” “it,” and “its” refer to Montana Mining Corp., a Nevada corporation, unless otherwise indicated. In the opinion of management, the accompanying unaudited financial statements included in this Form 10-Q reflect all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the results of operations for the periods presented. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

MONTANA MINING CORP.
(A Development Stage Company)
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2008 (Unaudited)	December 31, 2007 (Audited)
<u>ASSETS</u>		
Current assets:		
Cash	\$ 361	318
Total current assets	\$ 361	318
 <u>LIABILITIES AND STOCKHOLDERS' DEFICIT</u>		
Current liabilities:		
Accounts payable	\$ 11,374	3,873
Accounts payable - related party	27,969	10,000
Related party interest payable	4	4,210
Notes payable - related party	1,185	45,155
Total current liabilities	40,532	63,238
Commitments		
Stockholders' deficit:		
Preferred stock, \$.001 par value, 5,000,000 shares authorized, no shares issued and outstanding	-	-
Common stock, \$.001 par value, 500,000,000 shares authorized, 7,146,318 and 6,312,900 shares issued and outstanding, respectively	7,146	6,313
Additional paid-in capital	185,578	103,069
Deficit accumulated during the development stage	(232,895)	(172,302)
Total stockholders' deficit	(40,171)	(62,920)
Total liabilities and stockholders' deficit	\$ 361	318

The accompanying notes are an integral part of these financial statements

MONTANA MINING CORP.
(A Development Stage Company)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended September 30,		Nine Months Ended September 30,		Cumulative Amounts
	2008	2007	2008	2007	
Revenue	\$ -	-	-	-	-
General and administrative costs	9,206	4,910	32,397	17,378	200,489
Impairment of franchise agreement	-	-	25,000	-	25,000
Loss from operations	(9,206)	(4,910)	(57,397)	(17,378)	(225,489)
Interest expense	19	882	3,196	2,221	7,406
Loss before income taxes	(9,225)	(5,792)	(60,593)	(19,599)	(232,895)
Provision for income taxes	-	-	-	-	-
Net loss	\$ <u>(9,225)</u>	<u>(5,792)</u>	<u>(60,593)</u>	<u>(19,599)</u>	<u>(232,895)</u>
Loss per common share - basic and diluted	\$ <u>-</u>	<u>-</u>	<u>(0.01)</u>	<u>-</u>	
Weighted average common shares - basic and diluted	<u>6,439,724</u>	<u>6,312,900</u>	<u>6,355,483</u>	<u>6,312,900</u>	

The accompanying notes are an integral part of these financial statements

MONTANA MINING CORP.
(A Development Stage Company)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended		
	September 30,		Cumulative
	2008	2007	Amounts
<u>Cash flows from operating activities:</u>			
Net loss	\$ (60,593)	(19,599)	(232,895)
Adjustments to reconcile net loss to net cash used in operating activities:			
Stock compensation expense	-	-	5,007
Impairment of franchise agreement	25,000	-	25,000
Increase in:			
Accounts payable	7,501	92	11,374
Related party interest payable	3,196	-	7,406
Related party payables	17,969	-	17,969
Net cash used in operating activities	(6,927)	(19,507)	(166,139)
<u>Cash flows from investing activities:</u>			
Purchase of franchise agreement	(25,000)	-	(25,000)
Net cash used in investing activities	(25,000)	-	(25,000)
<u>Cash flows from financing activities:</u>			
Increase in notes payable–related party	31,970	15,171	87,125
Decrease in stock subscription receivable	-	-	465
Issuance of common stock	-	-	103,910
Net cash provided by financing activities	31,970	15,171	191,500
Net increase (decrease) in cash	43	(4,336)	361
Cash, beginning of period	318	5,407	-
Cash, end of period	\$ 361	1,071	361

The accompanying notes are an integral part of these financial statements

MONTANA MINING CORP.
(A Development Stage Company)
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2008

Note 1 – Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared by management in accordance with the instructions in Form 10-Q and, therefore, do not include all information and footnotes required by generally accepted accounting principles and should, therefore, be read in conjunction with the Company's Form 10-K for the year ended December 31, 2007, filed with the Securities and Exchange Commission. These statements do include all normal recurring adjustments which the Company believes necessary for a fair presentation of the statements. The interim operations are not necessarily indicative of the results to be expected for the full year ended December 31, 2008.

Reclassification

The financial statements for periods prior to September 30, 2008 have been reclassified to conform to the headings and classifications used in the September 30, 2008 financial statements.

Note 2 – Additional Footnotes Included By Reference

Except as indicated in the following Notes, there have been no other material changes in the information disclosed in the notes to the financial statements included in the Company's Form 10-K for the year ended December 31, 2007, filed with the Securities and Exchange Commission. Therefore, those footnotes are included herein by reference.

Note 3 – Going Concern

As of September 30, 2008, the Company's revenue generating activities are not in place, and the Company has incurred losses since inception. These factors raise substantial doubt about the Company's ability to continue as a going concern.

The Company is currently in the process of identifying a suitable business opportunity pursuant to acquisition or merger. Management believes that the identification of a suitable business opportunity will require additional funds through debt and/or equity financing. However, there can be no assurance that management will be successful in identifying a suitable business opportunity or that funds will be available to the Company on terms acceptable to the Company to complete an acquisition or merger.

MONTANA MINING CORP.
(A Development Stage Company)
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2008

Note 4 – Related Party Payables

Notes payable - related party consists of the following:

	September 30, 2008 (Unaudited)	December 31, 2007 (Audited)
Short-term notes payable to shareholders of the Company. The notes include interest at 10%, are due on demand, and unsecured. Accrued interest at September 30, 2008 and December 31, 2007 was \$4 and \$4,210, respectively.	\$ 985	44,955
Short-term note payable to an officer and shareholder of the Company. The note is non-interest bearing, due on demand, and unsecured.	<u>200</u>	<u>200</u>
	\$ <u>1,185</u>	<u>45,155</u>

Accounts payable - related party consists of the following:

	September 30, 2008 (Unaudited)	December 31, 2007 (Audited)
Payable to an officer and shareholder of the Company for consulting services. The payable is non-interest bearing, due on demand, and unsecured.	\$ 19,000	10,000
Payable to a company owned by an officer and shareholder of the Company. The payable is non-interest bearing, due on demand, and unsecured.	<u>8,969</u>	<u>-</u>
	\$ <u>27,969</u>	<u>10,000</u>

MONTANA MINING CORP.
(A Development Stage Company)
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2008

Note 5 – Franchise Agreement

In February 2008, the Company formed Fitness USA, Inc. (“Fitness USA”) as a wholly owned subsidiary for the purpose of entering into a new line of business. On March 7, 2008 the Company, through Fitness USA, entered into an LA Boxing Franchise Agreement (the “Agreement”) with LA Boxing Franchise Corporation (“LA Boxing”) to acquire an exclusive franchise to open an LA Boxing gym in the Beverly Hills/Brentwood area of Los Angeles, California.

The Company has since abandoned any intention of opening an LA Boxing gym location due to its inability to secure financing, which decision caused management to impair the value of the LA Boxing Franchise Agreement.

Note 6 – Supplemental Cash Flow Information

During the nine months ended September 30, 2008, the Company issued 833,418 shares of common stock in exchange for a reduction of related party payables of \$75,940 and a reduction of related party interest payable of \$7,402.

Note 7 – Subsequent Event

On October 23, 2008, the Company signed a letter of intent to acquire Produced Water Solutions, Inc. (PWS) as a wholly owned subsidiary. PWS is a private company, headquartered in Sylvan Lake, Alberta. PWS has conducted primary and secondary research, testing and development into the processing of produced water in the oil and gas fields to achieve potable or reusable water standards and has developed and manufactured a processing system that will provide an alternative to conventional produced water deep disposal.

Subject to the terms and conditions set forth in the letter of intent, the shareholders of PWS intend to exchange all of their PWS securities for 6,000,000 new shares of the Company’s common stock. The letter of intent is not binding and a definitive share exchange agreement has not been finalized.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This *Management's Discussion and Analysis of Financial Condition and Results of Operations* and other parts of this quarterly report contain forward-looking statements that involve risks and uncertainties. Forward-looking statements can also be identified by words such as "anticipates," "expects," "believes," "plans," "predicts," and similar terms. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include but are not limited to those discussed in the subsection entitled *Forward-Looking Statements and Factors That May Affect Future Results and Financial Condition* below. The following discussion should be read in conjunction with our financial statements and notes thereto included in this report. Information presented herein is based on the three and nine month periods ended September 30, 2008 and the period since inception to September 30, 2008. Our fiscal year end is December 31.

Discussion and Analysis

On October 23, 2008, the Company signed a letter of intent to acquire Produced Water Solutions, Inc. (PWS) as a wholly owned subsidiary. PWS is a private company based in Sylvan Lake, Canada whose purpose is to become the premier provider of oilfield produced water treatment systems in North America. PWS' proprietary process converts high volumes of oil and gas produced water into potable water using a unit that can be easily moved from well to well. The process effectively reduces the traditional costs of disposing field water either down disposal wells or off site while simultaneously meeting the need to reuse and recycle an increasing valuable resource: water. The Company and PWS are yet to enter into a definitive share exchange agreement.

Should the Company not acquire PWS its plan of operation over the next twelve months will be to identify and acquire an alternative business opportunity. We would not limit our options to any particular industry, but would evaluate each opportunity on its merits.

On February 5, 2008, the Company entered into an LA Boxing Franchise Agreement with LA Boxing Franchise Corporation ("LA Boxing") in order to become an LA Boxing franchisee. The agreement granted the exclusive right to operate one LA Boxing location in the Beverly Hills/Brentwood area of Los Angeles, California in exchange for certain fees, development costs, royalties and advertising commitments. The Company paid the initial franchise fee but was unable to procure the financing requisite to opening an LA Boxing franchise. Management has since decided to abandon any intention of opening an LA Boxing location and has impaired in full the value of the LA Boxing Franchise Agreement.

Results of Operations

During the nine month period ended September 30, 2008, the Company's operations consisted of (i) satisfying continuous public disclosure requirements, (ii) seeking to identify prospective business opportunities, (iii) performing due diligence with respect to LA Boxing and PWS, (iv) entering into an agreement with LA Boxing; (v) attempting to procure financing requisite to the agreement with LA Boxing (vi) abandoning the terms and conditions of the LA Boxing Agreement, and (vii) entering into a letter of intent to acquire PWS.

The Company has been funded since inception from equity placements and by shareholders in the form of loans. All of the capital raised to date has been allocated to option or franchise fees, exploration expenses, and general and administrative costs.

Net Loss

For the period from December 7, 1999, to September 30, 2008, the Company recorded an operating loss of \$232,895. Net losses for the three month period ended September 30, 2008 were \$9,225 as compared to \$5,792 for the three months ended September 30, 2007. Net losses for the nine month period ended September 30, 2008 were \$60,593 as compared to \$19,599 for the nine months ended September 30, 2007. The increase in the Company's net losses over the comparative three and nine month periods can be attributed both to the franchise fee incurred in connection with LA Boxing and consulting fees related to the preparation of disclosure documentation. The Company's cumulative operating loss is comprised of an option agreement for certain exploration rights now forfeited, the agreement with LA Boxing now impaired and general and administrative expenses. General and administrative costs include offering expenses, accounting costs, consulting fees, mining exploration expenses, costs associated with test results, and costs directly related to our defunct exploration program.

We did not generate any revenue during this period and expect to continue to incur losses over the next twelve months.

Capital Expenditures

The Company expended no amounts on capital expenditures for the period from December 7, 1999, to September 30, 2008.

Income Tax Expense (Benefit)

The Company has a prospective income tax benefit resulting from a net operating loss carryforward and start up costs that will offset any future operating profit.

Impact of Inflation

The Company believes that inflation has had a negligible effect on operations over the past three years.

Liquidity and Capital Resources

The Company had current and total assets of \$361 as of September 30, 2008, consisting solely of cash on hand. Net stockholders' deficit in the Company was \$40,171 at September 30, 2008. The Company is in the development stage and, since inception, has experienced significant changes in liquidity, capital resources, and stockholders' deficit.

Cash flow used in operating activities was \$166,139 for the period from December 7, 1999, to September 30, 2008. Cash flow used in operating activities for the nine month period ended September 30, 2008 decreased to \$6,927 as compared to \$19,507 for the nine month period ended September 30, 2007. The decrease in cash flows used in operating activities over the comparative nine month periods can be attributed to the impairment related to the franchise agreement and increases in payables. The Company's cumulative cash flow used in operating activities was used on accounting, administration, consulting, exploration expenses and a franchise fee.

We expect to continue to use cash flow in operating activities until such time as the Company acquires or develops a net revenue producing business opportunity.

Cash flow provided from financing activities was \$191,500 for the period from December 7, 1999, to September 30, 2008. Cash flow provided by financing activities for the nine months ended September 30, 2008 increased to \$31,970 as compared to \$15,171 for the nine months ended September 30, 2007. The increase in cash flow provided from financing activities over the comparative nine month periods can be attributed to a series of shareholder loans to the Company. The Company's cumulative financing activities have consisted of sales of the Company's common stock as well as related and non-related party loans.

We expect to continue to use cash flow provided by financing activities to maintain our current operations in the form of additional shareholder loans or equity placements.

Cash flow used in investing activities was \$25,000 for the period from December 7, 1999, to September 30, 2008. Cash flow used in investing activities for the nine months ended September 30, 2008 increased to \$25,000 as compared to \$0 for the nine months ended September 30, 2007. The increase in cash flow used in investing activities over the comparative nine month periods and over the cumulative period can be attributed to the franchise fee paid to LA Boxing.

We do expect to use cash flow in investing activities in connection with any future development or acquisition of a business opportunity.

The Company's current assets are insufficient to conduct its plan of operation over the next twelve (12) months. We will have to seek at least \$50,000 in debt or equity financing over the next twelve months to fund our continued corporate operations. The Company has no current commitments or arrangements with respect to, or immediate sources of funding. Further, no assurances can be given that a funding is available. The Company's shareholders are the most likely source of new funding in the form of loans or equity placements though none have made any commitment for future investment and the Company has no agreement formal or otherwise. The Company's inability to obtain funding will have a material adverse affect on its search for suitable business opportunities.

The Company does not intend to pay cash dividends in the foreseeable future.

The Company had no lines of credit or other bank financing arrangements as of September 30, 2008.

The Company had no commitments for future capital expenditures that were material at September 30, 2008.

The Company has no defined benefit plan or contractual commitment with any of its officers or directors.

The Company has no current plans for the purchase or sale of any plant or equipment.

The Company has no current plans to make any changes in the number of employees.

Off-Balance Sheet Arrangements

As of September 30, 2008, we have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources that is material to stockholders.

Critical Accounting Policies

In Note 1 to the audited financial statements for the years ended December 31, 2007 and 2006, included in our Form 10-K, the Company discusses those accounting policies that are considered to be significant in determining the results of operations and its financial position. The Company believes that the accounting principles utilized by it conform to accounting principles generally accepted in the United States.

The preparation of financial statements requires Company management to make significant estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. By their nature, these judgments are subject to an inherent degree of uncertainty. On an on-going basis, the Company evaluates estimates. The Company bases its estimates on historical experience and other facts and circumstances that are believed to be reasonable, and the results form the basis for making judgments about the carrying value of assets and liabilities. The actual results may differ from these estimates under different assumptions or conditions.

Going Concern

The Company's auditors have expressed an opinion as to the Company's ability to continue as a going concern as a result of an accumulated deficit of \$172,302 as of December 31, 2007, which deficit increased to \$232,895 as of September 30, 2008. The Company's ability to continue as a going concern is subject to the ability of the Company to realize a profit and /or obtain funding from outside sources. Management's plan to address the Company's ability to continue as a going concern includes: (i) obtaining funding from private placement sources in the form of debt or equity financing; (ii) identifying and acquiring a suitable business opportunity that does or will produce net revenue to fund operations; and (iii) obtaining loans and grants from financial institutions where possible. Although management believes that it will be able to obtain the necessary funding to allow the Company to remain a going concern through the methods discussed above, there can be no assurances that such methods will prove successful.

Forward Looking Statements and Factors That May Affect Future Results and Financial Condition

The statements contained in the section titled *Management's Discussion and Analysis of Financial Condition and Results of Operations* and elsewhere in this current report, with the exception of historical facts, are forward looking statements. Forward looking statements reflect our current expectations and beliefs regarding our future results of operations, performance, and achievements. These statements are subject to risks and uncertainties and are based upon assumptions and beliefs that may or may not materialize. These statements include, but are not limited to, statements concerning:

- our anticipated financial performance and business plan;
- the sufficiency of existing capital resources;
- our ability to raise additional capital to fund cash requirements for future operations;
- uncertainties related to the Company's future business prospects;
- our ability to generate revenues from future operations;
- the volatility of the stock market and;
- general economic conditions.

We wish to caution readers that our operating results are subject to various risks and uncertainties that could cause our actual results to differ materially from those discussed or anticipated, including the factors set forth in the section entitled *Risk Factors* included elsewhere in this report. We also wish to advise readers not to place any undue reliance on the forward looking statements contained in this report, which reflect our beliefs and expectations only as of the date of this report. We assume no obligation to update or revise these forward looking statements to reflect new events or circumstances or any changes in our beliefs or expectations, other than as required by law.

Stock-Based Compensation

On January 1, 2006, we adopted SFAS No. 123 (revised 2004) (SFAS No. 123R), Share-Based Payment, which addresses the accounting for stock-based payment transactions in which an enterprise receives employee services in exchange for (a) equity instruments of the enterprise or (b) liabilities that are based on the fair value of the enterprise's equity instruments or that may be settled by the issuance of such equity instruments. In January 2005, the Securities and Exchange Commission (SEC) issued Staff Accounting Bulletin (SAB) No. 107, which provides supplemental implementation guidance for SFAS No. 123R. SFAS No. 123R eliminates the ability to account for stock-based compensation transactions using the intrinsic value method under Accounting Principles Board (APB) Opinion No. 25, Accounting for Stock Issued to Employees, and instead generally requires that such transactions be accounted for using a fair-value-based method. We use the Black-Scholes-Merton ("BSM") option-pricing model to determine the fair-value of stock-based awards under SFAS No. 123R, consistent with that used for pro forma disclosures under SFAS No. 123, Accounting for Stock-Based Compensation. We have elected the modified prospective transition method as permitted by SFAS No. 123R and accordingly prior periods have not been restated to reflect the impact of SFAS No. 123R. The modified prospective transition method requires that stock-based compensation expense be recorded for all new and unvested stock options, restricted stock, restricted stock units, and employee stock purchase plan shares that are ultimately expected to vest as the requisite service is rendered beginning on January 1, 2006, the first day of our fiscal year 2006. Stock-based compensation expense for awards granted prior to January 1, 2006 is based on the grant date fair-value as determined under the pro forma provisions of SFAS No. 123. Prior to the adoption of SFAS No. 123R, we measured compensation expense for our employee stock-based compensation plans using the intrinsic value method prescribed by APB Opinion No. 25. We applied the disclosure provisions of SFAS No. 123 as amended by SFAS No. 148, Accounting for Stock-Based Compensation – Transition and Disclosure, as if the fair-value-based method had been applied in measuring compensation expense. Under APB Opinion No. 25, when the exercise price of the Company's employee stock options is equal to the market price of the underlying stock on the date of the grant, no compensation expense is recognized.

The Company has no outstanding stock options or related stock option expense.

We account for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with SFAS No. 123 and the conclusions reached by the Emerging Issues Task Force ("EITF") in Issue No. 96-18. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services as defined by EITF 96-18.

Recent Accounting Pronouncements

In May 2008, the FASB issued SFAS 162 which identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles (GAAP) in the United States (the GAAP hierarchy). We are currently reviewing the effect, if any, that the adoption of this statement will have on our financial statements.

In May 2008, the FASB issued SFAS 163 which clarifies how SFAS 60 applies to financial guarantee insurance contracts, including the recognition and measurement to be used to account for premium revenue and claim liabilities. We are currently reviewing the effect, if any, that the adoption of this statement will have on our financial statements.

In March 2008, the FASB issued SFAS 161 which amends and expands the disclosure requirements of SFAS 133 to provide an enhanced understanding of an entity's use of derivative instruments, how they are accounted for under SFAS 133 and their effect on the entity's financial position, financial performance and cash flows. The provisions of SFAS 161 are effective for the period beginning after November 15, 2008. We are currently reviewing the effect, if any, that the adoption of this statement will have on our financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required.

ITEM 4T. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

In connection with the preparation of this report on Form 10-Q, an evaluation was carried out by the Company's management, with the participation of the chief executive officer and the chief financial officer, of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act")). Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Commission's rules and forms and that such information is accumulated and communicated to management, including the chief executive officer and the chief financial officer, to allow timely decisions regarding required disclosures.

Based on that evaluation, the Company's management concluded, as of the end of the period covered by this report, that the Company's disclosure controls and procedures were effective in recording, processing, summarizing, and reporting information required to be disclosed, within the time periods specified in the Commission's rules and forms.

Changes in Internal Control over Financial Reporting

There have been no changes in internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the period ended September 30, 2008, that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

Our future operating results are highly uncertain. Before deciding to invest in us or to maintain or increase your investment, you should carefully consider the risks described below, in addition to the other information contained in this quarterly report. If any of these risks actually occur, our business, financial condition or results of operations could be seriously harmed. In that event, the market price for our common stock could decline and you may lose all or part of your investment.

Risks Related to the Company's Business

We have a history of significant operating losses and such losses may continue in the future.

Since our inception in 1999, our expenses have substantially exceeded our income, resulting in continuing losses and an accumulated deficit of \$172,302 at December 31, 2007 which increased to \$232,895 as of September 30, 2008. The Company has never realized revenue from operations. Our only expectation of profitability is dependent on the future results of operation from our development or acquisition of a suitable revenue producing business opportunity.

The Company's limited financial resources cast severe doubt on our ability to pursue our business plan or to acquire a profitable business opportunity.

The Company's future operation is dependent upon the development or acquisition of a profitable business opportunity. We found it impossible to realize the financing needed for opening our LA Boxing franchise location and cannot be certain that any other financing required by our prospective transaction with PWS will be forthcoming. Our inability to finance our operation sufficiently will prevent us from developing any business and may act as a deterrent in any future negotiations with potential acquisition candidates. Should the Company be unable to acquire or develop a profitable business opportunity in the near term, it will, in all likelihood, be forced to cease operations.

We are dependent upon a key person, who would be difficult to replace.

Our continued operation will be largely dependent upon the efforts of Ruairidh Campbell, our sole officer and director. We do not maintain key-person insurance on Mr. Campbell. Our future success also will depend in large part upon the Company's ability to identify, attract and retain other highly qualified managerial, technical and sales and marketing personnel. Competition for these individuals is intense. The loss of the services of Mr. Campbell, the inability to identify, attract or retain qualified personnel in the future or delays in hiring qualified personnel could make it more difficult for us to maintain our operations and meet key objectives such as the acquisition of a suitable business opportunity.

Risks Related to the Company's Stock

The market for our stock is limited and our stock price may be volatile.

The market for our common stock has been limited due to low trading volume and the small number of brokerage firms acting as market makers. Because of the limitations of our market and volatility of the market price of our stock, investors may face difficulties in selling shares at attractive prices when they want to. The average daily trading volume for our stock has varied significantly from week to week and from month to month, and the trading volume often varies widely from day to day.

We may incur significant expenses as a result of being quoted on the Over the Counter Bulletin Board, which may negatively impact our financial performance.

We incur significant legal, accounting and other expenses as a result of being listed on the Over the Counter Bulletin Board. The Sarbanes-Oxley Act of 2002, as well as related rules implemented by the Commission has required changes in corporate governance practices of public companies. We expect that compliance with these laws, rules and regulations, including compliance with Section 404 of the Sarbanes-Oxley Act of 2002 as discussed in the following risk factor, may substantially increase our expenses, including our legal and accounting costs, and make some activities more time-consuming and costly. As a result, there may be a substantial increase in legal, accounting and certain other expenses in the future, which would negatively impact our financial performance and could have a material adverse effect on our results of operations and financial condition.

Our internal controls over financial reporting may not be considered effective in the future, which could result in a loss of investor confidence in our financial reports and in turn have an adverse effect on our stock price.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 we are required to furnish a report by our management on our internal controls over financial reporting. Such report must contain, among other matters, an assessment of the effectiveness of our internal controls over financial reporting as of the end of the year, including a statement as to whether or not our internal controls over financial reporting are effective. This assessment must include disclosure of any material weaknesses in our internal controls over financial reporting identified by management. If we are unable to continue to assert that our internal controls are effective, our investors could lose confidence in the accuracy and completeness of our financial reports, which in turn could cause our stock price to decline.

The Company requires immediate capital funding.

The Company requires financing, either through equity offerings or debt placements, in order to meet working capital requirements. Any new financing may result in a significant dilution for our current shareholders. Further, our ability to meet short-term and long-term financial commitments is dependent on the realization of financing in the immediate future. Unless the Company can meet its financial obligations it will likely be forced to cease operations.

The Company's shareholders may face significant restrictions on their stock.

The Company's stock differs from many stocks in that it is a "penny stock." The Commission has adopted a number of rules to regulate "penny stocks" including, but not limited to, those rules from the Securities Act as follows:

- | | |
|--------|---|
| 3a51-1 | which defines penny stock as, generally speaking, those securities which are not listed on either NASDAQ or a national securities exchange and are priced under \$5, excluding securities of issuers that have net tangible assets greater than \$2 million if they have been in operation at least three years, greater than \$5 million if in operation less than three years, or average revenue of at least \$6 million for the last three years; |
| 15g-1 | which outlines transactions by broker/dealers which are exempt from 15g-2 through 15g-6 as those whose commissions from traders are lower than 5% total commissions; |
| 15g-2 | which details that brokers must disclose risks of penny stock on Schedule 15G; |
| 15g-3 | which details that broker/dealers must disclose quotes and other information relating to the penny stock market; |
| 15g-4 | which explains that compensation of broker/dealers must be disclosed; |
| 15g-5 | which explains that compensation of persons associated in connection with penny stock sales must be disclosed; |
| 15g-6 | which outlines that broker/dealers must send out monthly account statements; and |
| 15g-9 | which defines sales practice requirements. |

Since the Company's securities constitute a "penny stock" within the meaning of the rules, the rules would apply to us and our securities. Because these rules provide regulatory burdens upon broker-dealers, they may affect the ability of shareholders to sell their securities in any market that may develop; the rules themselves may limit the market for penny stocks. Additionally, the market among dealers may not be active. Investors in penny stock often are unable to sell stock back to the dealer that sold them the stock. The mark-ups or commissions charged by the broker-dealers may be greater than any profit a seller may make. Because of large dealer spreads, investors may be unable to sell the stock immediately back to the dealer at the same price the dealer sold the stock to the investor. In some cases, the stock may fall quickly in value. Investors may be unable to reap any profit from any sale of the stock, if they can sell it at all. Shareholders should be aware that, according to Commission Release No. 34-29093 dated April 17, 1991, the market for penny stocks has suffered from patterns of fraud and abuse. These patterns include:

- control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer;
- manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases;
- "boiler room" practices involving high pressure sales tactics and unrealistic price projections by inexperienced sales persons;
- excessive and undisclosed bid-ask differentials and markups by selling broker-dealers; and
- the wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, along with the inevitable collapse of those prices with consequent investor losses.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS ON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibits required to be attached by Item 601 of Regulation S-K are listed in the Index to Exhibits on page 21 of this Form 10-Q, and are incorporated herein by this reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Montana Mining Corp.

/s/ Ruairidh Campbell

November 12, 2008

Ruairidh Campbell

Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer, and Director

EXHIBITS

<i>Exhibit</i>	<i>Description</i>
3(i)(a)*	Articles of Incorporation of the Company, formerly known as Aswan Investments, Inc. (incorporated herein by reference from Exhibit No. 3(i) of the Company's Form 10-SB as filed with the Commission on February 3, 2000).
3(i)(b)*	Amendment to Articles of Incorporation filed with the State of Nevada on August 5, 2002 (incorporated herein by reference from Exhibit No. 3(i)(b) of the Company's Form 8-K as filed with the Commission on August 15, 2002).
3(i)(c)*	Amendment to Articles of Incorporation filed with the State of Nevada on October 12, 2004 (incorporated herein by reference from Exhibit No. 3(i)(c) of the Company's Form 10-QSB as filed with the Commission on November 8, 2004).
3(ii)*	By-laws of the Company adopted on December 10, 1999 formerly known as Aswan Investments, Inc. (incorporated herein by reference from Exhibit No. 3(i) of the Company's Form 10-SB as filed with the Commission on February 3, 2000).
10*	LA Boxing Franchise Agreement dated March 7, 2008 (incorporated herein by reference from Exhibit No. 10 of the Company's Form 8-K as filed with the Commission on March 21, 2008).
14*	Code of Ethics adopted April 14, 2004 (incorporated herein by reference to the Company's Form 10-KSB/A filed with the Commission on April 16, 2004).
21*	Subsidiaries of the Company (incorporated herein by reference to the Company's Form 10-K filed with the Commission on April 11, 2008).
31 Attached	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32 Attached	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
*	Incorporated by reference from previous filings of the Company.

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Ruairidh Campbell certify that:

1. I have reviewed this report on Form 10-Q of Montana Mining Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the period presented in this report;
4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in the Exchange Act Rules 13a-15(f) and 15d-15(f) for the small business issuer and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal controls over financial reporting.

Date: November 12, 2008

/s/ Ruairidh Campbell

Ruairidh Campbell

Chief Executive Officer and Chief Financial Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

In connection with the report on Form 10-Q of Montana Mining Corp. for the quarterly period ended September 30, 2008 as filed with the Securities and Exchange Commission on the date hereof, I, Ruairidh Campbell, do hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

- (1) This report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in this report fairly represents, in all material respects, the financial condition of the small business issuer at the end of the period covered by this report and results of operations of the small business issuer for the period covered by this report.

Date: November 12, 2008

/s/ Ruairidh Campbell

Ruairidh Campbell

Chief Executive Officer and Chief Financial Officer

This certification accompanies this report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the small business issuer for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the small business issuer and will be retained by the small business issuer and furnished to the Securities and Exchange Commission or its staff upon request.